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individual is not happy and cannot possibly be happy for paying on \$632.30 on an individual income tax when he only receives the \$221.00. So I say, in fairness, this man should only be paying a tax on the \$221.31, and the difference, which is four hundred and some dollar, \$410.99 is retained by that co-op corporation. So why not, when the rates are almost identical, the corporate rate and the individual, of course, here again it varies on what bracket you as an individual may be in, but why not pay on the cash that you receive and the business entity pay the corporate tax on the money that is retained. And again I say to you, this may bring in more money. It may bring in less money, and the chances of bringing in less money are just as large as those of bringing in more money. I will say that this bill, 382, will wash out from our tax income base, our general fund monies, anywhere from \$300,000, \$350,000, maybe even \$500,000, but either one of the proposals will do exactly that.

SENATOR CARSTEN: Okay, then if I may, Mr. President, that leads me to one more question, if I may. Even though, and I am aware that we may be eroding some revenue from the state of Nebraska, you are saying to us, then, that this is an unjust revenue inasmuch as there is some double taxation which will be eliminated, is that what you are saying, Senator Burbach?

SENATOR BURBACH: This is the problem. This is the difficulty. This is the proposition before us now. Let us avoid a double taxation but let's do it in a reasonable way such as this amendment would provide, and in either case, the cost of double taxation or the value of double taxation has been somewhere between \$300,000 and \$500,000. I think the Tax Commissioner, his best estimate is around \$245,000 or \$285,000 but I am being liberal and saying that in either instance, that if we sincerely want to do away with double taxation, we are going to lose "X" number of dollars and it is somewhere between \$300,000 and \$500,000 in my estimation.

SENATOR CARSTEN: Thank you.

PRESIDENT: Senator Dworak.

SENATOR DWORAK: I have a question of Senator Burbach.

PRESIDENT: Senator Burbach.

SENATOR DWORAK: Senator Burbach, our state tax system is based on federal liability.

SENATOR BURBACH: To a great degree, not necessarily. I can point out to you 3, 4, 5 deviations from the federal tax liability, but as a general rule, especially our individual is and our corporate is to a degree, probably not exactly but pretty strongly.

SENATOR DWORAK: With your amendment, this is a deviation from federal liability because the co-op that pays a stock dividend, on that dividend has no federal liability.